



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 17, 2004

H.R. 4667 **Tapoco Project Licensing Act of 2004**

As ordered reported by the House Committee on Resources on September 15, 2004

CBO estimates that implementing H.R. 4667 would cost \$6 million over the 2005-2009 period, assuming appropriation of the necessary amounts. Enacting the bill would not affect direct spending or revenues. H.R. 4667 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no significant costs on state, local, or tribal governments.

H.R. 4667 would authorize the Secretary of the Interior to exchange 100 acres of land within the Great Smoky Mountains National Park in Tennessee for 186 acres of other land within the authorized boundary of that park owned by Alcoa Power Generating Inc. (APGI). APGI would use the land it receives for the Tapoco Hydroelectric Project. According to the National Park Service (NPS), the federal land to be conveyed currently generates no receipts and is not expected to do so over the next 10 years. Hence, we estimate that the proposed exchange would not affect offsetting receipts (a credit against direct spending). We estimate that the agency would spend about \$30,000 in 2005 to complete the transaction, assuming the availability of appropriated funds.

H.R. 4667 also would authorize the Secretaries of Agriculture and the Interior to acquire certain other land that is currently owned by APGI. Based on information from APGI and local tax assessors regarding the value of that land, CBO estimates that the federal government would spend \$6 million over the 2006-2009 period to acquire that land, assuming appropriation of the necessary funds. We also estimate that any resulting increase in federal spending for land management would total less than \$500,000 a year.

On June 23, 2004, CBO transmitted a cost estimate for S. 2319, the Tapoco Project Licensing Act of 2004, as ordered reported by the Senate Committee on Energy and Natural Resources on June 16, 2004. H.R. 4667 and S. 2319 are similar, and our cost estimates are the same.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.